

**Utah Office of Tourism
Board Meeting
Thursday, May 8, 2014 – 3:00 pm
Zion Ponderosa Ranch Resort – Conference Room
Twin Knolls Road, Orderville, UT 84758**

Present

Board Members

Joel Racker
Kym Buttschardt
Gordon Topham
Bill Malone
Hans Fuegi
Nathan Rafferty

Mike Taylor
John Holland
Kathy Hanna Smith
Pamela Hilton
Lance Syrett
Jeff Robbins

Staff

Vicki Varela
Barbara Bloedorn
Kaitlin Eskelson

David Williams
Jay Kinghorn

Guests

Jeremy Chase
Nan Anderson
Sarah Nielson
Courtney Hatch
Mark Wade
Camille Johnson
Alyssa Baltrus

Struck
UTIC
Love Communications
Zion Ponderosa
Zion Ponderosa
Kane County Office of Tourism
PIO, Zion National Park

WELCOME

Joel Racker called the meeting to order and welcomed the board members, staff and the audience to the meeting. He thanked the Zion Ponderosa for hosting the meeting. He then had all of the attendees introduce themselves.

Michael Kane, General Manager of the Zion Ponderosa Ranch Resort welcomed everyone to the ranch. He provided some brochures and gave a brief history of the resort. Dave and Steve Neeleman opened a small campground on a remote section of the land originally purchased by their grandfather. Construction of the first guest cabins began in 1994. In 1998 they expanded into an all-inclusive resort. Michael offered to take the board and staff on an ATV tour of the property after the meeting.

MOTION: Mike Taylor made a motion to approve the minutes of the April 11th meeting held in Moab. Gordon Topham seconded the motion. The motion passed.

DIRECTORS REPORT

Vicki Varela reported on some of the following items:

- She spoke this morning at the 1st Annual Outdoor Recreation Summit in Salt Lake at the Salt Palace. There were over 400 attendees
- Tourism (Tourism/Rural) committee strategy
- Have confidence from the Governor and the Legislature to secure TMPF funding
- She expressed her gratitude for the many talented, collaborative, hard-working and cohesive people she is surrounded by that help her exceed her level of career satisfaction
- The Cafeteria Plan
- The website RFP
- Brad Peterson hosted a white rim bike adventure trip last week – Vicki participated

MARKETING COMMITTEE REPORT

Dave Williams reported on some of the following items:

- Dave reviewed the 2014/2013 Summer Campaign Stats and Comparison for the first six weeks of the Mighty 5® Campaign
- Love Communications gave a brief summary of the Three –Season 2014 Digital Media Report for flight dates 3/24/14 – 5/31/14. Reporting period: 3/24/14 – 4/30/14. The summary showed that the campaign click through rate is .36% which is 260% above the travel industry average of .1%
- Dave reviewed the proposed FY 2014-2015 budget. The budget was included in the board packets. He indicated that the board would be asked to approve the budget in the June meeting. Some of the items discussed were:
 - TMPF Allocation - \$15 million:
 - Co-op Marketing Program - \$3 million
 - Sports Commission - \$1.5 million
 - Agency & Production - \$400,000 (negotiations underway, placeholder for now)
 - Total Advertising Budget – \$10.1 million
- Dave reviewed the proposed Three-Season promotion and winter promotion budgets by line items.

Dave reported that the marketing committee received a proposal from the Tour of Utah for a \$200,000 sponsorship for the 2014 race. Dave further added that the marketing committee would like to propose allocating \$150,000 for the sponsorship.

Jeff Robbins reported that the Sports Commission will be providing \$350,000. He further added that the budget for the tour is pushing close to \$6 million. He also added that Utah owns this tour and we need to keep it growing.

Dave asked if the board would consider entertaining a motion for this request.

MOTION: John Holland made a motion to allocate \$150,000 for the 2014 Tour of Utah with 65% coming out of the three-season budget and 35% coming out of the winter budget. Mike Taylor seconded the motion. The motion passed.

CO-OP COMMITTEE REPORT

Hans Fuegi reminded the board that at the April meeting, the board approved setting aside \$600,000 of the co-op marketing funds for a cafeteria plan with details to follow prior to the May meeting. He further added that on Tuesday, May 6th some of the board and staff participated in a webinar where the proposed

plan was explained in detail by Struck for the domestic portion and by Tania Leichter for the international portion. (A PDF of the presentation was forwarded to the board prior to the webinar) The only real change that was discussed was adding a print option to the domestic plan along with a digital option and the international plan would be digital only. Hans turned time over to Dave Williams to explain a few more details.

Dave first acknowledged Kaitlin Eskelson and Kelly Day for all of their hard work on this program. They have been working to get the co-op application on line through the new CRM system through Simple View. They just did a run through yesterday to see how it is working.

Dave then explained some of the details of the cafeteria plan which include:

Domestic - Each digital co-op buy would include:

1. Display advertising for participants, on targeted travel verticals and/or media networks
2. A paid email featuring participants
3. A content marketing piece to generate editorial for participants

With three levels of participation:

- \$2,500: display unit only
- \$5,000: display unit + paid email
- \$10,000: display unit + paid email + content marketing

There will be two print options either with Outside Magazine (337,500 circulation) or Bicycling Magazine (125,413 circulation).

International - Will be digital only – facilitated through Tania Leichter/Brand USA

Partner funds will be matched by UOT 100% with a max available per participant; and dollars invested will be contributed up to the Letter of Agreement with Brand USA to maximize investment and exposure.

The target markets will be: Canada, Australia, Germany, UK, China, Mexico and Brazil with options in both 3 season and ski season

Kaitlin added a few more details in reference to the plans. She reported that there will be four or five options for the international program. If these details are approved today, there will be strategic one on one planning sessions on June 5th and 6th at Council Hall to help the partners create their strategies. Representatives that are facilitating these plans will be available in house on those two days. This plan will help the partners both large and small, leverage their dollars in some markets they may not have been able to participate in before. The information on the plans will be released to DMO's and non-profits and county officials to make sure that any partners that are interested have the opportunity to participate. The cap to participate in all cafeteria plans both domestic and international is \$30,000. The deadline to participate in the cafeteria plan will be August 15th. What happens on the traditional side does not affect your ability to participate in the cafeteria plan. The traditional co-op awards will be announced on August 8th. The co-op committee will discuss what to do with any dollars that are not used in this first round of the cafeteria plan.

Dave Williams reported that the round 12 co-op applications are due by June 19th. There will be mandatory webinars to explain the application process for the traditional co-op. Partners will not be able to access the application process until they have participated in a webinar.

Jeff Robbins recommended that there be a backup plan in place for this first year in case some of our partners did not receive the information in time for the program. Kaitlin suggested that they could possibly allow them to use the old paper application if that happens.

Dave reported that the commissions for the domestic and international would be 10%. They are handling all of the billing and creative. If there are a large number of participants on the domestic side some of that might be handling through Struck through a contingency portion on the retainer that is still being negotiated.

MOTION: With no further discussion, Kym Buttschardt made a motion to approve the details of the cafeteria plan as presented. Gordon Topham seconded the motion. The motion passed.

UTIA UPDATE - (Utah Tourism Industry Association)

Nan Anderson reported on some of the following items:

- Happy National Tourism Week this week
- Changed the name of UTIC to UTIA as shown above - Working on a new Logo
- UTIA is participating in a lot of political fundraisers
- Tourism taxes
- Washington DC delegation – May 19th through 21st – delegation will include: Nan Anderson, Nathan Rafferty, Vicki Varela, Bill Malone, Scott Beck and Joel Racker – will meet with all Utah congressional delegation
- Help support early opening and late closing of the North Rim
- Back of the house tour in the works for the end of June

PUBLIC COMMENT

Alyssa Baltrus the PIO from Zion National Park welcomed everyone to the area. She did a brief update for the park. Some of the items she covered were:

- ZNP is in the process of hiring a new superintendent.
- Visitation is up 6%.
- A lot of visitors seem to be coming from Salt Lake and Las Vegas.
- Working with Springdale and some of the other communities to help with overcrowding
- Looking at the shuttle system and trying to find ways to make it more efficient
- Redoing the south entrance over the next five year.
- For every \$25 park entrance fee, \$19 goes towards the shuttle system.

Camille Johnson, the new Assistant Director of Kane County Office of Tourism and Film welcomed the board, staff and visitors to the area. She provided some brochures of events that area taking place in the area. She also shared information on the upcoming events and things to do in the area.

The board, staff and visitors wished Kym Buttschardt, board member, a happy birthday today.

Meeting adjourned. The next board meeting will take place Friday, June 13th at Eagle Point in Beaver.

